Halfpenny called the meeting to order at 1:10 pm and welcomed everybody. She noted that this was an important meeting where the Council would learn about 2013 results and vote on 2014 priorities. She shared her experience at the recent National Governors’ Association on Energy Efficiency where many states’ programs have benefitted from best practices developed in Massachusetts. Halfpenny emphasized that Massachusetts needs to continue to strive for innovation, with aggressive goals and targets.

Public Comment
Several members of the public spoke during the public comment period. Betsy Glynn (Local Initiatives Support Corporation) voiced support for the statewide database. Jessica Bergman (Empower Devices & Associates) asked about sharing lessons learned from the
recently finished Connecticut behavior change and energy efficiency pilot. Halfpenny indicated she would follow up with Bergman about subcommittee meeting access. Jeremy Shenk (Community Labor United/Green Justice Coalition) spoke about the Efficient Neighborhoods+ program, expressing support for the concept and offering suggestions for potential program enhancements. Ninya Loepky (Boston Climate Action Network/Green Justice Coalition) urged the Council and the PAs to make a statewide database a priority in 2014, and she offered some ideas about what information and data to include.

**Topic based schedule**

Halfpenny explained that the topic based schedule was developed as a result of preliminary discussions about the Council being more strategic in 2014. She noted that people were interested in other models for dealing with topics, so the consultants were asked to collaboratively develop a list of topics that the Council would deal with in 2014. She explained that Q1-Q3 has been populated pretty completely, and that there is some flexibility needed with Q4. She noted that the topic based schedule feeds into the short 2014 priorities list, and that, in the past, there had been an inability to benchmark and track how priorities were going. Halfpenny said that the Council wants to make sure that the consultant team can measure progress on priorities and topics in 2014 and going forward. She then asked for a sense of the Council on this. Following were some brief comments from Councilors and members of the consultant team. Belliveau noted that the topic based schedule sets an agenda for the consultant team, and gives the management committees a heads up on what they need to be working on, and an indication that data will be needed. Lyne expressed that the PAs are very supportive of the topic based schedule, based discussions at a PA prep meeting. He asked that there be consideration of the prep time that will be needed for Council presentations on these topics. Halfpenny noted that the goal is to deal with the things that the Council often doesn’t have time to deal with, getting feedback and evidence from the PAs and consultants on how things are working. Seidman said she is looking forward to the April C&I discussion and data about how particular programs are doing. Jacobson suggested that it would be useful to schedule a meeting on the multifamily evaluation. Halfpenny noted that the majority of residential evaluation studies won’t be available until end of 2014. Prahl explained that there are several multifamily studies in progress, with the low income study probably complete in the Fall. Halfpenny reiterated her request for a sense of the Council. Councilors verbally approved the topic based schedule concept.

**Council Priorities**

Halfpenny noted that some people were concerned about the 2014 priorities being abbreviated from previous years’ priority lists, and she updated the draft based on recent comments. She noted that the Council wants to be much more targeted in 2014 on areas of focus and on allocation of consultants’ time. Halfpenny read through the Prelude and individual priorities: 1) Design and develop a statewide database, 2) Achieve C&I Savings and Benefits Goals, 3) Improve Customer Access to and Use of Energy Efficiency Programs, and 4) Plan for the 2016-2018 Three-Year Plan. A discussion ensued on priority #3, with Johnson suggesting adding ‘lost opportunities.’ Belliveau expressed caution on using the term ‘lost opportunity’. Halfpenny noted the importance of defining ‘participant’ and differentiating between a customer and a widget. Seidman
asked for an explanation of the term ‘benchmark.’ McDonough expressed approval for the current wording. Winkler said you need to measure first, then benchmark. Halfpenny suggested a wording change, “Clearly define, standardize, measure, and benchmark participation, develop and implement strategies…” and noted that the updated language addresses ‘lost opportunities.’ The Council then discussed priority #4, with Swing asking where in the planning process we need to be by the end of 2014. Halfpenny said that we need to have a reasonable sense by the end of 2014 of what programs have not been able to achieve, and what some of the critical paths are that we need to build on in the next three year plan. Prahl noted that we have 53 studies in progress, with a lot to be completed late this year. Saunders and Seidman proposed adding a few words for clarification: “…to prepare for and inform the development of the next three-year plan.” Halfpenny put the updated 2014 priorities to a vote. Saunders motioned, and Seidman seconded. All approved the priorities as amended, except Paul Johnson, who abstained.

**Consultant 2014 work plan and budget**

Halfpenny explained that the Council had the consultants go back to fine-tune the time frame of deliverables. She noted Executive Committee feedback that a greater commitment of consultant resources to the database was needed. Belliveau said the consultants heard the message that the consultant monthly report and work plan needed to be better tied together, so they took the 2014 work plan and spelled out the deliverables. He noted that the monthly invoice will now tie directly back to the specific tasks in the work plan, and that the subject matter is always up for Council review, and that resources can be reallocated as needed. He further noted that the $1.508 million budget includes the additional 2014 work on the AESC study. Halfpenny noting hearing positive feedback on the new report format, and said that going forward the expectation is to see more information on progress on metrics. She then asked if there were any concerns with the work plan or budget. Hearing none, she called for a vote. Saunders motioned for a vote, Rio seconded. The Council unanimously approved.

**EM&V Update**

Prahl presented a set of slides updating the Council on progress in evaluation activities. His presentation consisted of: 1) An overall status report, 2) Glimpses of recent evaluation results, and 3) Anticipated upcoming 2014 results. Prahl noted that the consultants and PAs wanted to systematize the process and build in more opportunities for stakeholder input, and ways to disseminate results on the backend. He noted that there are 53 studies in progress – addressing a lot of the questions the EEAC has been asking – which is an enormous analytic effort, the 2nd largest in the country. Prahl explained that project management capacity is still somewhat of an issue, but has greatly improved as PA capacity has increased. He noted an increased focus on data-mining in evaluation studies, and that the net savings research programs, focused on top-down econometric methods and market effects, are now in place. Some of the key highlighted study results include: Mid-size C&I customers may need more targeted services, marketing, and/or effect to build supply-side market; Residential lighting time of use study indicates that customers use their lighting at least as much as we thought, and perhaps more; Net impacts of the Residential New Construction program may be much larger than we thought, with an overall net-to-gross ratio of 187% - mostly due to spillover. Some of the anticipated upcoming 2014 results include: Residential customer profile study will
characterize overall patterns of participation for all programs by segment and region; HES program delivery study will use data-mining to assess conversion rates and other key performance metrics, and analyze linkages between HES and other programs; C&I customer profile study will characterize patterns of participation by size, business type and region; Learning From Successful Projects study will look at samples of successful and less successful projects and seek to find useful lessons; Codes and Standards study to better understand code compliance patterns and to support design of initiatives now about to be fielded; and Top-Down Net to Gross Research Program which is, instead of trying to understand net impacts of individual programs, using econometric methods to understand global net impacts at the sector level. Gromer thanked Prahl for his informative presentation.

Q4 Report (Year 2013)

Lyne introduced Nelson and Abdou, who presented a set of quantitative slides on the PAs’ performance in 2013. Qualitative questions were referred to Palma and Song.

Nelson and Abdou noted the following PA results for 2013:

- Lifetime Savings Goal – Electric: 89%; Gas: 101%.
- Total Planned Benefits – Electric: 96%; Gas: 100%.

They noted that the 2013 PA performance represent the best tracked results of the previous four years. Nelson and Abdou noted that Residential and Low Income savings were extremely healthy and markedly above goal for both electric and gas. They also noted that C&I savings were lower than goal in 2013, and that the PAs are working on C&I strategies in 2014 and 2015 to maintain the three year plan achievement trajectory. They further noted that stateside gas and electric CO2 emissions reductions were very close to goal. Halfpenny congratulated the PAs on this huge undertaking and expressed how very challenging it is to achieve these results. She said that both the PAs and the Council deserve recognition for this hard work.

Schlegel presented a set of slides outlining the consultant team’s analysis of 2013 year end results. He noted the PAs’ great work and great successes, but indicated that we’re not quite getting to where we need to be. He explained that some programs and PAs have performed well in some areas, however not all programs and PAs have performed well in all areas. Indicating not wanting to take any success away from anybody, he noted that the C&I sector fell far short of its goal (79% of electric annual goal and 77% of gas annual goal) for the third straight year - a critical concern. He pointed out that exceeding residential and low income goals will not make up for underperformance in C&I. Schlegel noted the need for greater use of best practices of highest performing PAs to achieve best performance consistently across all PAs in all programs. He also noted the need for more and better data to analyze the EE programs in greater depth, and the need for continued emphasis on achieving deeper savings. Schlegel showed several graphs on key results, including how the C&I short-fall dwarfs the Residential achieve savings, and that about 92% of the C&I savings shortfall was in the C&I Retrofit initiative – 30% of the total C&I budget. He noted that Massachusetts has among the highest goals in the country and in 2013 achieved 2.24% out of the stateside goal of 2.5% of total load. He further noted that gas achieved above goal for the first time in the past three years, with Residential and Low Income doing very well, and C&I needing some improvement. With regard to annual oil savings, Schlegel noted that all PAs did extremely well and together
achieved 150% of the statewide goal. There were a couple of follow-up questions from Councilors Harak and Seidman. Halfpenny noted that WMECO made a major turnaround in 2013, and they are clearly employing successful new strategies.

General Updates

January 14th EEAC Meeting Minutes

Collins proposed a slight wording change relative to the database discussion. Johnson said that he was not mentioned in the minutes even though he had made extensive comments. Venezia explained that meeting minutes are a summary of critical events that occurred during a meeting, not a transcription. Lyne noted appreciation for the minutes that the consultants provide. Saunders motioned to approve, and Seidman seconded the motion. All councilors voted in favor, except Johnson who opposed, and Hall who abstained. The minutes were approved as amended.

Presentation on Interim Data System

Halfpenny explained that the PAs and consultants have been working on an interim data system for over a year, that it represents a good first step toward getting to a statewide database, and that the PAs needed to take this step so they could start standardizing. She noted that she and Finlayson have looked at various models around the country that address privacy issues, and that they will likely reconvene a subcommittee meeting in March. Nelson presented a slide deck, ‘PA Interim Reporting Solution’. He noted that Westerlind and Cohen are the primary go-to people on the database. Nelson noted that this new Massachusetts reporting system, named MAREE, will result in improved data analytics, streamlined reporting, as is compatible with tracking systems. He noted the detailed data categories (e.g. HES tab: total audits, closure rates, recommended/installed measures) and some of the future data categories, including measure level data, GHG reductions, and geographic segmentation. Nelson explained that the next steps are to accept stakeholder feedback, and schedule a stakeholder webinar after MAREE is live. Schlegel explained that the consultants are critically interested in getting a data system that has quality data. Halfpenny noted that this won’t provide the consultants the data they need to do their analysis for the Council on key topics, and for the implementation update, and that PAs and consultants will still need to work together on this. Lyne noted that the PAs will work with the consultants this, and need to know what data will be needed. Halfpenny agreed that the consultants need to be clear about what data they need.

Adjournment

Halfpenny thanked everybody for their tremendous efforts and adjourned the meeting at 4:07pm.